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7852 Walker Drive, Suite 200
Greenbelt, Maryland 20770
phone: 301-459-7590, fax: 301-577-5575
internet: www.jsitel.com, e-mail: jsi@jsitel.com

November 7, 2018

Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

**Re: WC Docket Nos. 10-90, 14-58, 07-135, and CC Docket No. 01-92
Clarity Telecom, LLC dba Vast Broadband Petition for Reconsideration
Hamilton County Telephone Co-op Petition for Reconsideration
Grand River Mutual Telephone Corporation Petition for Reconsideration
Notice of *Ex Parte***

Dear Ms. Dortch:

On November 6, 2018, Jim Gleason of Clarity Telecom LLC dba Vast Broadband (“Clarity”); Ron Hinds, Anissa Rockhold, and Jenni Neff of Grand River Mutual Telephone Corporation (“GRM”); Kevin Pyle and Mindy Kolts of Hamilton County Telephone Co-op (“Hamilton”); and John Kuykendall and Cassandra Heyne of JSI (collectively, “Petitioner Representatives”) met via conference call with Preston Wise, Special Counsel.

The purpose of the meetings was to discuss Clarity, GRM, and Hamilton’s pending petitions¹ of the FCC’s March 23, 2018 *R&O and NPRM*² which provided an additional \$36.5 million in Alternative Connect America Cost Model (“A-CAM”) funding for those rate-of-return carriers that elected A-CAM in 2016. The three Petitioners seek additional A-CAM funding for at most 5,358 rural locations in their rate-of-return study areas that were prevented from receiving any high cost support due to inadvertent clerical errors (GRM and Clarity), and a competitive provider overstating broadband deployment (Hamilton).

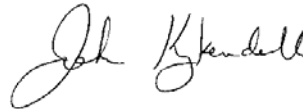
¹ Clarity Telecom, LLC dba Vast Broadband Petition for Reconsideration, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92, Filed May 10, 2018; Hamilton County Telephone Co-op Petition for Reconsideration, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92, Filed May 8, 2018; Grand River Mutual Telephone Corporation Petition for Reconsideration, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92, Filed May 2, 2018.

² See *Report and Order, Third Order on Reconsideration, and Notice of Proposed Rulemaking*, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92 (rel. March 23, 2018), FCC 18-29 (“*R&O and NPRM*”).

The Petitioner Representatives discussed the urgent need to grant their Petitions for Reconsideration by including additional funding to the \$36.5 million already allocated to A-CAM carriers in the *R&O and NPRM*. Alternatively, the A-CAM Petitioner Representatives urge that their petitions be granted in the context of the upcoming FCC decision evaluating the overall budget for the high-cost USF for rate-of-return companies and ensure that adequate funding be provided. The Petitioner Representatives emphasized that their respective petitions have received letters of support from NTCA and Congressional offices, and provided copies of the attached letters to Mr. Wise.

Please direct any questions regarding the filing to the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "John Kuykendall". The signature is fluid and cursive, with the first name "John" being more prominent than the last name "Kuykendall".

John Kuykendall
JSI Vice President
301-459-7590
jkuykendall@jsitel.com

cc: Preston Wise

Attachments

October 16, 2018

Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

**Re: WC Docket Nos. 10-90, 14-58, 07-135, and CC Docket No. 01-92
Clarity Telecom, LLC dba Vast Broadband Petition for Reconsideration
Hamilton County Telephone Co-op Petition for Reconsideration
Grand River Mutual Telephone Corporation Petition for Reconsideration
Ex Parte Letter**

Dear Ms. Dortch:

Clarity Telecom, LLC dba Vast Broadband (“Clarity”), Hamilton County Telephone Co-op (“Hamilton”), and Grand River Mutual Telephone Corporation (“GRM”) (collectively, the “A-CAM Petitioners”) each independently filed a Petition for Reconsideration¹ of the Federal Communications Commission’s (“FCC” or “Commission”) March 23, 2018 *R&O and NPRM*² which provided an additional \$36.5 million in Alternative Connect America Cost Model (“A-CAM”) funding for those rate-of-return carriers that elected A-CAM. The A-CAM Petitioners each faced unique circumstances during the A-CAM election process that ultimately resulted in each company receiving significantly less A-CAM funding than they anticipated prior to the final A-CAM offer – Clarity and GRM because of inadvertent clerical errors, and Hamilton because of an unsubsidized competitor overstating its broadband coverage in Hamilton’s study area. In total, 5,358 locations were “abandoned” due to inaccurate Form 477 data (hereinafter referred to as the “Abandoned Locations”) representing no more than \$5.525 million in annual A-CAM funding.³

The A-CAM Petitioners understand that the FCC is undertaking the complex and critical task of evaluating the overall budget for the high-cost Universal Service Fund (“USF”) for rate-of-return companies in order to account for factors like inflation and other changes that have occurred since 2011, with a decision to be released possibly by the end of this year.⁴ In light of this

¹ Clarity Telecom, LLC dba Vast Broadband Petition for Reconsideration, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92, Filed May 10, 2018; Hamilton County Telephone Co-op Petition for Reconsideration, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92, Filed May 8, 2018; Grand River Mutual Telephone Corporation Petition for Reconsideration, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92, Filed May 2, 2018.

² See *Report and Order, Third Order on Reconsideration, and Notice of Proposed Rulemaking*, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92 (rel. March 23, 2018), FCC 18-29 (“*R&O and NPRM*”).

³ The breakdown of locations per company is Clarity 2,167 for an amount of \$2.15 million per year; GRM 747 for an amount of \$990,000 per year; and Hamilton 2,444 for an amount of \$2,384,372 per year. The A-CAM Petitioners understand that were the FCC to grant their petitions, the most recent publicly available Form 477 data would be used in determining the amount of funding for the Abandoned Locations. Accordingly, the total amount of annual funding required by the three companies could be lower.

⁴ *R&O and NPRM*; Office of Senator John Thune (October 3, 2018). *Delegation urges FCC to restore predictability to Universal Service Fund’s high cost program budget* [Press release]. Retrieved from

anticipated decision, NTCA, WTA, ITTA, and USTelecom jointly filed an *ex parte* letter on October 1st recommending that the FCC increase the budget for rate-of-return carriers to no less than \$2.4 billion for 2018, in addition to the \$200 million already separately committed in the current A-CAM program, and that the Commission apply an inflation adjustment factor to the entire high-cost USF program budget.⁵ The A-CAM Petitioners agree with this recommendation with the added stipulation that the revised budget include the “not-to-exceed” \$5.525 million in annual A-CAM funding required to provide support to the Abandoned Locations.

Indeed, funding the Abandoned Locations should be the number one priority before any other funding is allocated given that these residential and business locations currently do not receive any amount of high-cost USF support. In urging the Commission to increase the budget in the *Ex Parte* Letter, the associations ask the FCC to “finish the job it started in deploying the existing programs.”⁶ The job certainly cannot be completed without first ensuring that the A-CAM Petitioners receive A-CAM support for the Abandoned Locations that should have been received but for the inaccurate Form 477 data. Furthermore, each of the A-CAM Petitioners has received considerable support for their petitions for reconsideration⁷ and have committed to deploying considerably more fiber-to-the-home if their petitions are granted, than what would be required in their original A-CAM build-out obligations.

The undersigned respectfully request immediate grant of their Petitions for Reconsideration by including additional funding to the \$36.5 million already allocated to A-CAM carriers in the *R&O and NPRM*. Alternatively, the A-CAM Petitioners urge that their petitions be granted in the context of the anticipated upcoming FCC decision evaluating the overall budget for the high-cost USF for rate-of-return companies and ensure that adequate funding for the Abandoned Locations is provided in that context.

Sincerely,

/s/ Jim Gleason

Jim Gleason, CEO, Clarity Telecom LLC
dba Vast Broadband

/s/ Ron Hinds

Ron Hinds, CEO, Grand River Mutual Telephone
Corporation

/s/ Kevin Pyle

Kevin Pyle, GM/EVP, Hamilton County Telephone Co-op

<https://www.thune.senate.gov/public/index.cfm/press-releases>; Eggerton, John (October 4, 2018). Sen. Thune slams FCC over high-cost broadband subsidies shortfall. *Multichannel News*. Retrieved from <https://www.multichannel.com/news/sen-thune-slams-fcc-over-high-cost-broadband-subsidies-shortfall>; Chairman Pai is quoted as stating that he “hopes his colleagues will join him later this year in establishing a sufficient and predictable budget so that rural communities are not left behind any longer.”

⁵ Letter from Genevieve Morelli, Jonathan Spalter, Shirley Bloomfield, and Kelly Worthington to Marlene H. Dortch, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92 (filed October 1, 2018). (“*Ex Parte* Letter”).

⁶ *Id.*

⁷ Letter from Michael R. Romano to Marlene H. Dortch, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92 (filed July 13, 2018); Reply of NTCA – The Rural Broadband Association In the Matter of WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92 (filed July 9, 2018); Letter from Representative Sam Graves (MO – 6th) to Marlene H. Dortch (filed August 23, 2018).

Congress of the United States
House of Representatives
Washington, DC 20515-2506

October 26, 2018

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Dear Ms. Dortch:

I am writing this letter to support Grand River Mutual Telephone Corporation's ("GRM") Petition for Reconsideration of the Federal Communications Commission's ("FCC") March 23, 2018 Report and Order and Notice of Proposed Rulemaking, in which an additional \$36.5 million in funding was included for the rate-of-return carriers that elected the Alternative Connect America Cost Model ("A-CAM"). The petition requests that some of the additional funding be appropriated to not-served, Abandoned Locations that do not receive any high-cost Universal Service Funding ("USF") assistance.

I am aware that the FCC is currently undertaking the task of evaluating the overall budget for USF and potentially looking to make funding increases to that budget. I ask that the FCC consider funding the Abandoned Locations first and make it a top priority. In my Congressional District alone, there are over 747 locations that have not received any type of high-cost funding assistance. It is imperative that the FCC consider the importance of having adequate, broadband deployment throughout rural northern Missouri for those communities to remain strong and intact.

Again, I ask that the FCC keep in mind these Abandoned Locations that do not currently receive any high-cost USF support during the A-CAM budget discussion. I also respectfully request the FCC take immediate action to review and grant Grand River Mutual Telephone's Petition for Reconsideration regarding funding for their Abandoned Locations.

If you have any questions, please contact Joe Hegeman in my Kansas City District Office at (816) 792-3976 or Joseph.Hegeman@mail.house.gov.

Sincerely,



Sam Graves
Member of Congress

Congress of the United States
House of Representatives
Washington, DC 20515-2506

August 23, 2018

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Dear Ms. Dortch:

I am submitting this letter in regards to the Petition for Reconsideration filed by Grand River Mutual Telephone Corporation (“GRM” or “the Company”) to the Federal Communications Commission (“FCC”) for the purposes of requesting that the additional balance of the available Alternative Connect America Cost Model (“A-CAM”) funds reported in the July 20, 2018 Public Notice be appropriated to the 747 GRM Missouri study area locations in unserved rural census blocks that do not receive any support for broadband deployment.

As noted in GRM’s pending Petition for Reconsideration of the FCC’s March 23, 2018 Report and Order, GRM was shut out of a large portion of A-CAM funding. These census blocks were initially eligible, prior to the final offer rate-of-return ILECs on August 3, 2016 but were excluded due to an inadvertent clerical error on GRM’s June 2015 Form 477 data.

Upon discovery of this clerical error, GRM revised its Form 477 in September 2016 and filed a petition for waiver seeking inclusion of its revised Form 477 data that would expand the number of A-CAM eligible blocks in its study area. However, the FCC denied that petition.

Subsequently, the high-cost universal service support that GRM could receive and provide to those 747 study locations throughout rural northern Missouri have been excluded. In today’s marketplace, it’s imperative that businesses have the adequate broadband service to remain competitive, as well as attracting and keeping families in rural Missouri. I would ask that the FCC consider GRM’s Petition for Reconsideration of the FCC’s March 23, 2018 Report and Order.

If you have any questions, please contact Joe Hegeman in my Kansas City District Office at (816) 792-3976 or Joseph.Hegeman@mail.house.gov.

Sincerely,



Sam Graves
Member of Congress

JOHN M. SHIMKUS
15TH DISTRICT, ILLINOIS

2217 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5271

ENERGY AND COMMERCE
COMMITTEE

SUBCOMMITTEES:
ENVIRONMENT AND THE ECONOMY
CHAIRMAN

HEALTH

ENERGY AND POWER

COMMUNICATIONS AND TECHNOLOGY

Congress of the United States
House of Representatives
Washington, DC 20515-1315

October 24, 2018

15 PROFESSIONAL PARK DRIVE
MARYVILLE, IL 62062
(618) 288-7190

CITY HALL, ROOM 12
110 EAST LOCUST STREET
HARRISBURG, IL 62946
(618) 252-8271

101 NORTH FOURTH STREET, SUITE 303
EFFINGHAM, IL 62401
(217) 347-7947

201 NORTH VERMILION STREET, SUITE 218
DANVILLE, IL 61832
(217) 446-0664

The Honorable Ajit Pai
Chairman
Federal Communications Commission
445 12th Street, Southwest
Washington, D.C. 20554

Dear Chairman Pai:

I am submitting this letter regarding the Petition for Reconsideration of the Federal Communications Commission's ("FCC") *March 23, 2018 Report and Order*, filed by Hamilton County Telephone Co-op ("Hamilton" or "the Co-op") to the FCC for the purposes of reviewing areas that were eliminated from Alternative Connect America Model ("A-CAM") funding due to data showing a competitive overlap. I understand Hamilton is pursuing a correction in order to restore federal broadband support for the roughly 2,200 affected locations in my district.

I share the goals of the FCC's mission to bring high speed broadband to rural America. Indeed, to stay connected in this new age of technology, all rural and urban areas should be allowed equal access and the ability to receive adequate high-speed broadband to operate in the modern world. Moreover, I am neutral when it comes to competition between broadband providers in my district, particularly when they are working to deploy critical services in rural areas.

That said, given the importance of broadband internet access, the implications of your decision in the matter of Hamilton's request are significant to my constituents. As such, I respectfully ask that the FCC thoroughly review the facts of Hamilton's petition, including engineering studies and other relevant information, in order to ensure scarce federal resources are used as effectively as possible in delivering connectivity to rural consumers in my district. As you know from our multiple hearings on mapping and rural broadband, having more precise data to what affordable services are available in hard-to-reach services is essential to close the digital divide.

Thank you for your consideration of this request, and for your work to expand broadband access to all Americans. If you have any questions, please contact my office at (202) 225-5271.

Sincerely,



John Shimkus
Member of Congress

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
ETC Annual Reports and Certifications)	WC Docket No. 14-58
)	
Establishing Just and Reasonable Rates for Local Exchange Carriers)	WC Docket No. 07-135
)	
Developing a Unified Intercarrier Compensation Regime)	CC Docket No. 01-92
)	

**REPLY OF
NTCA–THE RURAL BROADBAND ASSOCIATION**

NTCA–The Rural Broadband Association (“NTCA”) hereby submits its Reply in connection with the Petitions for Reconsideration filed by Grand River Mutual Telephone Corporation (“GRM”) and Clarity Telecom, LLC d/b/a Vast Broadband (“Clarity”) in the above-captioned proceeding.¹ Each Petition seeks the opportunity to obtain additional Alternative Connect America Cost Model (“A-CAM”) support by correcting inadvertent clerical errors associated with the filing of Form 477 reports in June 2015 that resulted in support being denied for a portion of the relevant study areas. No Oppositions to the Petitions appear to have been filed, and NTCA supports the grant of these Petitions as part of efforts by the Federal Communications Commission (the “Commission”) to finalize reforms and address budgetary concerns with respect to high-cost federal universal service fund (“USF”) support received by small rural local exchange carriers (“RLECs”).

¹ Petition for Reconsideration of GRM, WC Docket No. 10-90, *et al.* (filed May 2, 2018) (“GRM Petition”); Petition for Reconsideration of Clarity, WC Docket No. 10-90, *et al.* (filed May 10, 2018) (“Clarity Petition”).

As context, the Commission is presently conducting a rulemaking proceeding to consider, among other things, the sufficiency of USF support for both A-CAM recipients and those RLECs that receive support based upon the actual costs of their investments and operations in rural areas.² As NTCA highlighted in that rulemaking, shortfalls in USF support are precluding the ability of RLECs to offer reasonably comparable services at reasonably comparable rates, and cutting support in ways that preclude fulfillment of even the Commission's own rules and initial designs for these programs.³ For these reasons, NTCA has recommended that the high-cost USF budget going forward must:

(1) reflect reasonable expectations as to demands for program support over time; (2) be sized to achieve "true universal service" in the form of scalable networks that can evolve to meet consumer demand, or be sized sufficiently at the very least to correspond to the set of buildout and other performance tasks designed by the Commission; (3) be sized sufficiently as well to ensure "reasonable comparability" in terms of services and pricing; (4) provide greater predictability to the extent that any projected budget nonetheless turns out to be insufficient in a future period; and (5) include an appropriate inflationary factor just as other USF programs do today.⁴

Sufficient support necessarily turns upon an accurate reflection of "facts on the ground" in the areas to be served. NTCA supported and continues to support voluntary elections of model-based support for those RLECs that conclude the model reasonably reflects circumstances in the areas they serve. At the same time, it is worth noting that NTCA petitioned for reconsideration in 2016 with respect to the model precisely because there were continuing questions as to the model's transparency and accuracy that the Commission's recitation of certain technical points in the 2016

² *Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, Report and Order, Third Order on Reconsideration, and Notice of Proposed Rulemaking (rel. March 23, 2018).

³ Comments of NTCA, WC Docket No. 10-90, *et al.* (filed May 25, 2018) ("NTCA Comments"), at 27-30.

⁴ *Id.* at 30-31.

order did not dispel.⁵ Although GRM and Clarity elected model-based support because it could help in other portions of their study areas, they have highlighted a circumstance in which “facts on the ground” do not match what the model shows based solely upon technicalities – filing errors that were even caught and sought to be remedied prior to completion of the model election process.⁶ As part of the effort to remedy and “right-size” the budgets for RLEC USF programs overall and thereby to make the programs function more effectively as intended and consistent with federal law, NTCA therefore has already supported and continues to encourage grants of relief to GRM and Clarity.⁷

Respectfully submitted,

/s/ Michael R. Romano

Michael Romano

Sr. Vice President – Industry Affairs &
Business Development



4121 Wilson Boulevard, Suite 1000
Arlington, VA 22203
mromano@ntca.org
703-351-2000 (Tel)

July 9, 2018

⁵ Petition for Reconsideration of NTCA, WC Docket No. 10-90, *et al.* (filed May 25, 2016), at 25.

⁶ See GRM Petition at 2-3; Clarity Petition at 2-3.

⁷ NTCA Comments at 43-46 (recommending that annual USF budgets set by the Commission “include the estimated amount of additional support it would take to resolve these pending petitions”).



July 13, 2018

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RE: *Connect America Fund, WC Docket No. 10-90; ETC Annual Reports and Certifications, WC Docket No. 14-58; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92*

Dear Ms. Dortch:

By this letter and consistent with prior comments, NTCA–The Rural Broadband Association (“NTCA”) encourages the Federal Communications Commission (the “Commission”) to grant the Petition for Reconsideration (“Petition”) filed by Hamilton County Telephone Co-op on May 8, 2018 in the above-referenced proceedings.

In its Petition, Hamilton seeks the opportunity to obtain additional Alternative Connect America Cost Model (“A-CAM”) support in light of overstated broadband service coverage claimed by a purported competitor as reflected in the model. Hamilton recounts the evidence it provided in 2016 to demonstrate that the claimed coverage was not real, and notes that the competitor in question subsequently filed reports indicating far less coverage than initially asserted. Petition at 2-3 and 6. No Oppositions to the Petition appear to have been filed, and as noted in comments recently filed, NTCA supports the grant of this Petition as part of broader efforts by the Commission to finalize reforms and address budgetary concerns with respect to high-cost federal universal service fund (“USF”) support received by small rural local exchange carriers. *See* Comments of NTCA, WC Docket No. 10-90, *et al.* (filed May 25, 2018), at 44.

Sufficient support must turn upon an accurate reflection of “facts on the ground.” NTCA supported and continues to support voluntary elections of model-based support for those RLECs that conclude the model reasonably reflects circumstances in the areas they serve. At the same time, NTCA petitioned for reconsideration in 2016 with respect to the model precisely because there were continuing questions as to the model’s transparency and accuracy. Petition for Reconsideration of NTCA, WC Docket No. 10-90, *et al.* (filed May 25, 2016), at 25.

Marlene H. Dortch

July 13, 2018

Page 2 of 2

Although Hamilton elected model-based support because it could help in other portions of its study area, it has highlighted a circumstance in which “facts on the ground” do not match what the model shows based solely upon another party’s clearly identified filing errors. As part of the effort to remedy and “right-size” the budgets for USF programs overall and thereby to make the programs function more effectively as intended and consistent with federal law, NTCA therefore has already supported and continues to encourage a grant of relief to Hamilton.

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the rules of the Commission, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano

Senior Vice President –

Industry Affairs & Business Development